

Form
40
L01

North Dakota Corporation Income Tax Return

CHECK ☐ Calendar Year January 1, 1996, to December 31, 1996

ONE: ☐ Fiscal Year beginning _____, 19__ and ending _____, 19__

1996

Is An Extension Attached? ➤ Yes <input type="checkbox"/> No <input type="checkbox"/>	Please Use Mailing Label (If none, type or print) Name _____		Federal Employer Identification No. _____-____-____	
	Date of Incorporation ____/____/____		Is this a farming or ranching corporation? ➤ Yes <input type="checkbox"/> No <input type="checkbox"/>	
Final Return ➤ Yes <input type="checkbox"/> No <input type="checkbox"/>	City, State, Zip Code _____, _____, _____	Phone _____-____-____	Business Code (From Federal return) ____-____-____	

Taxable Income Computation

1. Income from (See tax booklet for instructions before checking appropriate box):		Round Off To Dollars					
➤ a. <input type="checkbox"/> Single Corporate Entity	b. <input type="checkbox"/> Combined Report Method	b1. <input type="checkbox"/> 100% North Dakota Consolidated Return	b2. <input type="checkbox"/> Apportioning Corp Consolidated Return	c. <input type="checkbox"/> Water's Edge Method	d. <input type="checkbox"/> Other (LA)	1	
2. Total additions (Enter amount from Schedule C, Line 7)						2	
3. Total (Add Lines 1 and 2)						3	
4. Total subtractions (Enter amount from Schedule C, Line 17)						4	
5. North Dakota apportionable income (Subtract Line 4 from Line 3) (See instructions)						5	
6. Apportionment Factor (See instructions) (LE)						6	____-____-____
7. Income apportioned to North Dakota (Line 5 multiplied by Line 6)						7	
8. Income allocated to North Dakota _____ less related expenses _____ (LF)						8	
9. North Dakota income (Add Lines 7 and 8)						9	
10. Federal tax deduction (See instructions) (AJ)						10	
11. Subtotal (Subtract Line 10 from Line 9)						11	
12. Exemption for New and Expanding Business (See instructions) (CL)						12	
13. N.D. income after Fed. Tax Deduction & Exemption for New & Expanding Business (Subtract Ln. 12 from Ln. 11) ➤ <input type="checkbox"/> If the amount on line 13 is a loss, check this box to forego the carryback period (See instructions for line 13)						13	
14. North Dakota loss carryforward (Attach worksheet - See instructions) (LH)						14	
15. Balance (Subtract Line 14 from Line 13)						15	
16. Recapture of Federal alternative minimum tax (See instructions) (AN)						16	
17. North Dakota taxable income (Subtract Line 16 from Line 15)						17	

Tax Computation

18. Income tax due (See tax rate table below) (Corp. filing a consol. return, enter amt. from Sch. CR, Part I, Ln. 18a) (LJ)	18	
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Tax Credits

19. Credit for contributions to nonprofit private colleges (See instructions) (LK)	19	
20. Credit for contributions to nonprofit private high schools (See instr.) (LL)	20	
21. Venture capital corporation credit (See instructions) (LU)	21	
22. North Dakota Small Business Investment Company (LW)	22	
23. Other credits (Enter amount from Schedule TC, Line 7. See instructions)	23	

Balance Due Or Overpayment

24. Net income tax liability (Subtract Lines 19 through 23 from Line 18)	24	
25. 1996 Estimated Income Tax payments and payment with extension (See instructions) (LN)	25	
26. If Line 24 is greater than Line 25, enter difference as BALANCE DUE (Enter \$0 if less than \$5) (LR)	26	
a. Interest and penalty for Balance Due on Line 26 (See instructions) (LQ)	26a	
b. Total Payment Due (Add Lines 26 and 26a - Pay to North Dakota State Tax Commissioner)	26b	
27. If Line 25 is greater than Line 24, enter difference as OVERPAYMENT (Enter \$0 if less than \$5) (LV)	27	
a. Amount of Line 27 to be credited to 1997 estimated tax (Minimum \$5) (AI)	27a	
b. Amount of Line 27 to be Refunded (Subtract Line 27a from Line 27. No refund under \$5)	27b	

I declare under the penalties of North Dakota Century Code § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.

Date: _____ Signature of Officer: _____ Title: _____

Date: _____ Signature of Preparer: _____ Address: _____

Tax Rate Table

If the amount on Line 17 is not over \$3,000	3%
\$ 3,000 to \$ 8,000	\$ 90.00 plus 4.50% of excess over \$ 3,000
\$ 8,000 to \$ 20,000	\$ 315.00 plus 6.00% of excess over \$ 8,000
\$ 20,000 to \$ 30,000	\$ 1,035.00 plus 7.50% of excess over \$ 20,000
\$ 30,000 to \$ 50,000	\$ 1,785.00 plus 9.00% of excess over \$ 30,000
Over \$50,000	\$ 3,585.00 plus 10.50% of excess over \$ 50,000

PLEASE DO NOT WRITE IN THIS SPACE

Schedules A & B Are To Be Completed Only By Those Corporations Which Are Apportioning Income To North Dakota And Not Filing A Consolidated State Return. The Apportionment Of Income Must Be Computed On A Basis Consistent With The Filing Method Indicated On Page 1, Line 1.

Schedule A: Apportionment Of Income To North Dakota For Financial Organizations Only

1. Total		2. North Dakota	3. Factor
(Column 2 divided by Column 1 = Column 3)			
Property Factor: (Average value at original cost)			
1. Tangible property held and owned for business use	1	(AA)	(AB) — • — — — — —
Business Factor:			(Use 6-digit decimal only)
2. Wages and salaries paid for services performed	2		
3. Receipts from sales and other business sources as defined in Section 57-38-13(6)	3		
4. Total (Add Lines 2 and 3)	4	(AC)	
5. Sum of North Dakota property and business factors (Add Lines 1 and 4)	5		— • — — — — —
6. One-Half Of Line 5 (Enter factor here and on Page 1, Line 6)	6		(AE) — • — — — — —

Schedule B: Apportionment Of Income To North Dakota For NonFinancial Corporations Not Filing A Consolidated State Return.

If Filing A Consolidated North Dakota Return, Use Schedule CR, Part II. Do Not Use Schedule B.

1. Total		2. North Dakota	3. Factor
(Column 2 divided by Column 1 = Column 3)			
Property Factor: Average value at <i>original cost</i> of real and tangible personal property used in the business. (Exclude value of construction in progress)			
1. Inventories	1		(Column 2 divided by Column 1 = Column 3)
2. Buildings and other fixed depreciable assets	2		
3. Depletable assets	3		
4. Land	4		
5. Other assets (<i>Detail</i>)	5		
6. Rental property (<i>Annual rental capitalized x 8</i>)	6		
7. Total property (<i>Add Lines 1 through 6</i>)	7	(BA)	
Payroll Factor:			
8. Wages, salaries, commissions and other compensation of employees which were included in the Federal Form 1120, or Federal Form 1120-A. (If the amount reported in Column (2) does not agree with the total compensation reported for North Dakota unemployment insurance purposes, attach an explanation).	8	(BC)	(BD) — • — — — — —
Sales Factor:			
9. Gross receipts or sales, less returns and allowances (Federal Form 1120 or Federal Form 1120-A, Line 1c)	9		(Column 2 divided by Column 1 = Column 3)
10. Sales delivered or shipped to North Dakota destinations	10		
11. Sales shipped from North Dakota to:	11		
(a) The United States Government	(a)		
(b) Purchasers in a state or foreign country where the taxpayer was not subject to a net income tax or a tax measured by net income or, if subject, did not actually pay such tax.	(b)		
12. Total sales (Add Lines 9 through 11)	12	(BE)	(BF) — • — — — — —
13. Sum of factors (Add Lines 7, 8, and 12)	13		— • — — — — —
14. Divide Line 13 by the number of factors having an amount greater than zero in column 1, on Lines 7, 8 and 12.	14		(BG) — • — — — — —

The Following Questions Must Be Answered

- 1. Yes ☐ No ☐ Has the IRS made adjustments to any previously filed returns?
- 2. Yes ☐ No ☐ If the answer to the above question is yes, have all such adjustments been reported to this State?
- 3. Yes ☐ No ☐ Has Form 1120S been filed for Federal purposes? If yes, file North Dakota Form 60, not a North Dakota Form 40.
- 4. Yes ☐ No ☐ Is this a tax exempt corporation? If yes, enter date that tax exempt status was granted by IRS. ____/____/____.
- 5. Yes ☐ No ☐ Has this corporation filed as a cooperative, a Foreign Sales Corporation, or a Domestic International Sales Corporation for Federal purposes?
- 6. Yes ☐ No ☐ Does this corporation use the combined report method in any other States? If yes, attach a worksheet showing all States where the combined report method is used.
- 7. Yes ☐ No ☐ Does this corporation file its Federal income tax return as a member of a consolidated group? If yes, **please enter the Federal Employer Identification Number under which the consolidated return is filed.** ➤ (AM)

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 Federal Employer Identification No.
- 8. Yes ☐ No ☐ Does the numerator of the apportionment factor include the property, payroll or sales of more than one corporation required to file in this State? If yes, attach a list of all such corporations and a copy of the authorization to use this filing method.
- 9. Yes ☐ No ☐ Is this a limited liability company?
- 10. Yes ☐ No ☐ Has this corporation changed names, been involved in a merger, reorganization or takeover during this taxable year? If so provide former name and details of change. _____

(Former Name)

Name as shown on return

Federal Employer I.D.

Schedule C: Computation Of Statutory Adjustments
(See Tax Booklet For Instructions)

Additions

1. Federal net operating loss deduction (Federal Form 1120, Line 29a or Federal Form 1120-A, Line 25a)	(CA)	1	
2. Special deductions (Federal Form 1120, Line 29b or Federal Form 1120-A, Line 25b)	(CB)	2	
3. All income taxes, franchise or privilege taxes measured by income, which were deducted to determine Federal taxable income (See instructions)	(CC)	3	
4. North Dakota depreciation adjustment (See instructions)	(CE)	4	
5. Interest on state and local obligations (Excluding North Dakota obligations)	(CF)	5	
6. Other additions (Attach worksheet - See instructions)	(CG)	6	
7. Total additions (Add Lines 1 through 6. Enter amount here and on Page 1, Line 2)		7	

Subtractions

8. Tax refunds received in 1996 (Attach worksheet - See instructions)	(CH)	8	
9. Interest on United States obligations	(CI)	9	
10. North Dakota depreciation adjustment (See instructions)	(CJ)	10	
11. Allocable income (Attach worksheet - See instructions)	(LS)	11	
12. Related expenses (Attach worksheet - See instructions)	(LT)	12	
13. Balance (Subtract Line 12 from Line 11)	(LD)	13	
14. Interest on bonds issued by a regional railway authority in North Dakota	(CM)	14	
15. North Dakota domestic dividends exclusion (See instructions)	(CN)	15	
16. Other subtractions (Attach worksheet - See instructions)	(CO)	16	
17. Total subtractions (Add Lines 8, 9, 10, 13, 14, 15, and 16. Enter amount here and on Page 1, Line 4)		17	

Schedule E: Computation Of Federal Income Tax Deduction
(Complete Lines 1-11 of Page 1 before completing this schedule)
(See Tax Booklet For Instructions)

(Corporations filing a consolidated North Dakota return, use Schedule CR, Part III. Do not complete Schedule E.)

1. Federal income tax liability (See instructions)	(EA)	1	
1a. Federal alternative minimum tax liability (See instructions)	(EG)	1a	
1b. Adjusted Federal income tax liability (Subtract Line 1a from Line 1)		1b	
2. Separate company Federal income tax liability (Attach worksheet - See instr.)		2	
3. Profit companies Federal income tax liability (Attach worksheet - See instr.)		3	
4. Ratio: (Divide Line 2 by Line 3. Not to exceed 1.000000)		4	— . — — — — —
5. Separate company share of Federal income tax liability (See instructions)	(EB)	5	
6. Federal taxable income (Attach worksheet - See instructions)		6	
7. Income not taxable to North Dakota (See instructions)		7	
8. Balance (Subtract Line 7 from Line 6)		8	
9. Ratio: (Divide Line 8 by Line 6. Not to exceed 1.000000)		9	— . — — — — —
10. Federal tax on Federal taxable income reportable to North Dakota (Multiply Line 5 by Line 9)	(CK)	10	

Corporations using the combined report method and claiming a Federal foreign tax credit skip Line 11 and use Lines 12 - 16. Other corporations must use Line 11.

11. North Dakota apportionment factor (Enter amount from Page 1, Line 6 and go to Line 17 - See instructions)		11	— . — — — — —
12. North Dakota income (Enter amount from Page 1, Line 9)		12	
(If zero or less, skip Lines 13 through 16 and use Line 11 of this schedule).			
13. Total income (See instructions)		13	
(If zero or less, skip Lines 14 through 16 and use Line 11 of this schedule).			
14. Income relating to Foreign Tax Credit (See instructions)		14	
(If zero, skip Lines 15 and 16 and use Line 11 of this schedule).			
15. Income relating to Federal income tax paid (Subtract Line 14 from Line 13) ...		15	
(If zero or less, skip Line 16 and use Line 11 of this schedule).			
16. Federal income tax ratio (Divide Line 12 by Line 15 and go to Line 17. Not to exceed 1.000000)	(EC)	16	— . — — — — —
17. Federal tax deduction (Multiply Line 10 by either Line 11 or Line 16. Enter amount here and on Page 1, Line 10)	(ED)	17	

Complete Line 11

Or Line 16

but Not Both

Schedule AMT-R:**Computation Of The Recapture And Carryforward Of Federal Alternative Minimum Tax Disallowed
In Computing North Dakota Federal Income Tax Deduction****(See Tax Booklet For Instructions)****(Corporations filing a consolidated North Dakota return, use Schedule CR, Part IV. Do not complete Schedule AMT-R.)**

1. 1996 Federal alternative minimum tax (AMT) disallowed (Enter amount from Form 40, Schedule E, Line 1a)	1	
2. Ratio from Form 40, Schedule E, Line 4, if no ratio on line 4, enter 1.000000	2	-- . - - - - -
3. Multiply Line 1 by Line 2	3	
4. Ratio from Form 40, Schedule E, Line 9	4	-- . - - - - -
5. Multiply Line 3 by Line 4	5	
6. Ratio from Form 40, Schedule E, Line 11, or Form 40, Schedule E, Line 16, whichever is applicable	6	-- . - - - - -
7. Multiply Line 5 by Line 6	7	
8. Carryforward of Federal AMT disallowed (Enter amount from 1995 Form 40, Schedule AMT-R, Line 12)	8	
9. Total Federal AMT disallowed (Add Lines 7 and 8).	9	
Corporations claiming a Federal credit for prior year minimum tax on the 1996 Federal return complete Lines 10-12. Other corporations enter the amount from Line 9 on Line 12.		
10. Enter the amount from the 1996 Form 40, Page 1, Line 15	10	
11. If Line 10 is zero or less enter zero here and on the 1996 Form 40, Page 1, Line 16, otherwise, enter the smaller of Line 9 or Line 10 here and on the 1996 Form 40, Page 1, Line 16	11	
12. Available carryforward of Federal AMT disallowed (Subtract Ln. 11 from Ln. 9 if completing Ln. 10 and 11) . (RA)	12	

Schedule TC: Computation Of Other Tax Credits**(See Tax Booklet For Instructions - Attach Complete Documentation)**

1. Geothermal, solar or wind energy device tax credit (Attach worksheet - See instructions)	(LM)	1	
2. Credit for employment of the developmentally disabled or chronically mentally ill (See instr.)	(LX)	2	
3. Credit for research and experimental expenditures within North Dakota (See instructions)	(LY)	3	
4. Tax credit for new industry (Attach worksheet - See instructions)	(AK)	4	
5. Credit for payment to a certified nonprofit development corporation (See instructions)	(AG)	5	
6. Credit for modifying motor vehicle to operate on alternative fuels (See instructions)	(AO)	6	
7. Total other credits (Add Lines 1 through 6. Enter amount here and on Page 1, Line 23)		7	

All Applicable Lines On All Schedules Must Be Completed. Incomplete Schedules Or Remarks Such As "See Attached Worksheets," "Available Upon Audit" And Other Statements Cannot Be Accepted.